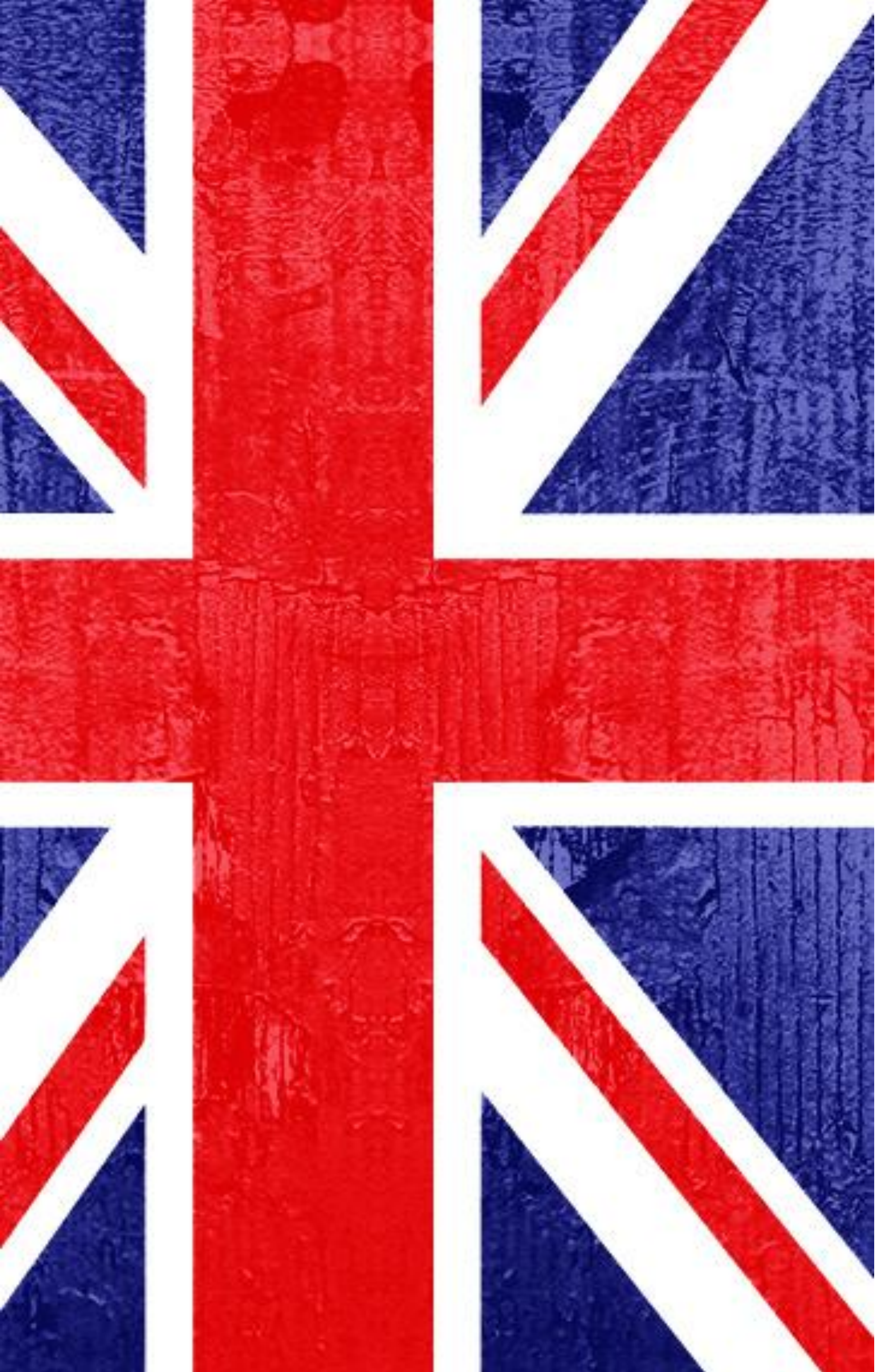


2012 Preliminary Results

21 February 2013

Certain statements in this presentation are forward looking statements. By their nature, forward looking statements involve a number of risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by those statements. Forward looking statements regarding past trends or activities should not be taken as representation that such trends or activities will continue in the future. Accordingly, undue reliance should not be placed on forward looking statements.

Agenda

• Initial perspectives	Gavin Darby
• 2012 Preliminary Results & Outlook	Mark Moran
• 2013 Priorities	Gavin Darby
• Q&A	All

Initial perspectives

- Premier Foods has many strengths and a number of challenges
- The strategy is starting to deliver
- Focus is now on execution
- Continuity essential
- My background
  - 24 years consumer goods experience
  - Brand builder - food, beverage and telecoms
  - Strong focus on customers
- Early stakeholder engagement
- Personal investment - belief in opportunity

2012 Preliminary Results

Mark Moran
Chief Financial Officer

We delivered our priorities for 2012

- Agree re-financing package with the banks
  - ✓ Re-financing successfully agreed
- Focus investment to grow Power Brands
  - ✓ Power Brand sales +2.1%, Grocery Power Brand sales +4.0%
- Divest selected businesses to sharpen focus
  - ✓ c£370m proceeds achieved, £40m ahead of lender-agreed target
- Right-size and reduce overhead cost base
  - ✓ £48m savings in 2012, ahead of £40m target
- Strengthen capabilities
  - ✓ Experienced leadership team in place
  - ✓ Aligned commercial team in Grocery, dedicated team in Bread

Reporting methodology

- 'Underlying business' excludes the following items:
  - **2011 disposals** (Canned grocery, Meat-free, Irish brands)
  - **2012 disposals** (Vinegar & sour pickles, Elephant Atta, Sweet Spreads & Jellies, Sweet Pickles & Table Sauces)
  - **Milling sales** – Fluctuations in the cost of wheat can influence reported revenue, but not necessarily profit in this commodity-led business
  - **Non-core contract losses** – Non-core and discrete beverage contract losses

Operating profit

£m	2012	2011
Underlying business sales	**1,354**	**1,312**
Underlying business Trading profit	**123**	**112**
Add: Contract loss	-	5
Add: 2012 disposals	32	56
Add: 2011 disposals	-	15
Continuing operations Trading profit	**155**	**188**
Amortisation of intangible assets	(53)	(72)
Fair value movements on forex derivatives	2	(1)
Pension financing	12	17
Restructuring costs for disposed businesses	(46)	(11)
Re-financing costs	(1)	(4)
Profit/(Loss) on disposal	63	(11)
Impairment of goodwill and intangible assets	(36)	(282)
Operating profit	**96**	**(176)**

Earnings per share

£m	2012	2011
Operating profit	**96**	**(176)**
Net regular interest	(70)	(116)
Other interest	(22)	33
Profit/(Loss) before tax	**4**	**(259)**
Tax	22	29
Net earnings/(Loss)	**26**	**(230)**
Average weighted shares (millions)	239.8	239.8
Basic earnings/(loss) per share from continuing operations	**11.0p**	**(95.9p)**

- Net regular interest in line with guidance
  - Other interest includes accelerated write-off of financing costs and mark to market on vanilla swap
- Tax credit due to recognising deferred tax asset from prior year losses
- Basic earnings per share of 11.0p

Adjusted earnings per share

£m	2012	2011	%
Branded sales	1,116	1,105	1.0%
Non-branded sales	238	207	14.9%
Total Underlying sales	**1,354**	**1,312**	**3.2%**
Underlying Trading profit	**123**	**112**	**10.6%**
Disposals & contract loss	32	76	(57.9%)
Continuing operations Trading profit	**155**	**188**	**(17.8%)**
Net Regular Interest	(70)	(115)	39.9%
Adjusted PBT	**85**	**73**	**17.4%**
Tax @ 24.5%/26.5%	(21)	(19)	(8.5%)
Adjusted earnings	**64**	**54**	**20.5%**
Continuing operations adjusted earnings per share (pence)	**26.8p**	**22.3p**	**20.5%**

Power Brands sales up 2.1%

Sales (£m)	2012	2011	Growth (%)
Power Brands	**889**	**871**	**2.1%**
Support brands	227	234	(2.9%)
Total branded	**1,116**	**1,105**	**1.0%**
Non-branded	238	207	14.9%
Total	**1,354**	**1,312**	**3.2%**

- Power Brands up +2.1% overall due to improved focus on customer collaboration and higher marketing investment
- Support brands sales decreased 2.9%, reflecting decline in home baking, especially business to business
- Non-branded sales up 14.9% due to cake contract gains and new co-packing arrangements following recent disposals

Grocery division

£m	2012	2011	Growth (%)
Branded sales	742	724	2.5%
Non-branded sales	115	87	31.8%
Total sales	**857**	**811**	**5.6%**
Power Brands sales	*533*	*513*	*4.0%*
Divisional contribution*	**195**	**207**	**(5.5%)**

- Post disposals, Grocery business now 87% branded with strong EBITDA margins
- Grocery Power Brand sales increased +4%
  - Four successive quarters of growth
- Consumer marketing increased by £16m – long term benefits
  - New TV campaigns across Power Brands
- Customer collaboration and innovation driving growth
  - e.g. *Sharwood's* wrap kits, *Batchelors d*eli box, *Ambrosia* rice pots

* Divisional Contribution is stated before SG&A costs

Bread division

£m	2012	2011	Growth (%)
Branded bread sales	374	381	(1.7%)
Non-branded bread sales	123	120	2.6%
Total bread sales	**497**	**501**	**(0.7%)**
Milling sales	192	193	(0.8%)
Total sales	**689**	**694**	**(0.7%)**
Divisional contribution*	**27**	**52**	**(48.0%)**

- *Hovis* maintained value market share in a competitive market
- Worst wheat harvest in 35 years:
  - Lower manufacturing efficiencies reflecting poor quality wheat
  - Pricing implemented to recover wheat price inflation
- Adverse customer mix with associated high cost to serve
- Dedicated team now focused on re-building value

* Divisional Contribution is stated before SG&A costs

Group Trading profit

£m	2012	2011	Growth (%)
Grocery divisional contribution	195	207	(5.5%)
Bread divisional contribution	27	52	(48.0%)
Group SG&A costs	(99)	(147)	32.7%
Group Trading profit	**123**	**112**	**10.6%**

- Delivered £48m overhead cost reductions in 2012, ahead of plan
- Focus on right-sizing cost base post disposals
- Further cost reductions of £20m to be delivered in 2013 reflecting focused Divisional structure – Grocery and Bread

Recurring Cash Flow

£m	2012	2011
Trading profit	**123**	**112**
Depreciation	37	39
Other non-cash items	9	(44)
Interest	(52)	(108)
Taxation	0	(3)
Pension contributions	(18)	(56)
Regular capital expenditure	(56)	(62)
Working capital	7	0
Recurring cash flow	**50**	**(122)**

- Recurring cash flow of £50m
- Other non-cash in 2012 due to add-back of share-based payments
- Capital expenditure and interest in line with guidance
- Pension reflects Q1 deficit contributions and admin charges

Cash Flow

£m	2012	2011
Recurring cash inflow/(outflow)	**50**	**(122)**
Trading profit & other cash flows– disposed businesses	6	14
Restructuring activity	(22)	-
Operating cash flow from total Group	**34**	**(108)**
Net disposal proceeds	312	400
Financing fees & finance leases	(24)	(7)
Free cash flow	**322**	**285**

- Restructuring activity reflects costs associated with cost savings programme
- Disposal proceeds from Irish Brands, Vinegar & Sour Pickles, Elephant Atta and Sweet Spreads & Jellies businesses
  - Sweet Pickles & Table sauces proceeds received in 2013
- Financing fees following completion of re-financing agreement

Net debt

	£m
Net debt at 31 December 2011	**995**
Additional term loan	188
Securitised debtors programme	74
Pro forma Net debt at 31 December 2011	**1,257**
Free cash flow 2012 FY	(322)
Other non cash items	16
Net debt at 31 December 2012	**951**

- Pro forma Net debt reduction of 24% in 2012
- Total free cash flow in 2012 of £322m
- ‘Other’ reflects movement in capitalised debt issuance costs
- Sweet Pickles & Table Sauces disposal proceeds of £92.5m received in February 2013

2013 outlook and guidance

Guidance	**2013**
SG&A cost savings	£20m
Consumer marketing	£40-£45m
Depreciation	c.£35m
Capex	3-3.5% of sales
Net regular interest	£60-65m
Tax – P&L notional rate	23.25%
Tax - cash	£0-£3m

- Market remains challenging
- Continue growth momentum in Grocery
- Re-build value in Bread
- Deliver overhead cost savings
- Recurring cash flow generation c.£40-60m

2013 Priorities

Gavin Darby
Chief Executive Officer

Priorities build on 2012 foundations

- Strategy remains unchanged
  - Focus on Power Brands
  - Grocery and Bread managed separately
- Continue growth momentum in Grocery
  - Optimise marketing investment behind Power Brands
  - Exploit multi-channel opportunities
- Re-build value in Bread
  - Restructure Bakery & Milling supply chain
  - Selected investment in *Hovis* brand
- Realise cost saving opportunities
  - Deliver £20m overhead cost savings
  - Explore further cost opportunities to fuel branded growth

Effective execution is key

Market remains challenging

Market	Implication for Premier
• Falling disposable incomes - consumers trading down	• Improve brand differentiation – quality, taste, packaging, value
• Low/ no volume growth, despite high promotional activity	• Optimise marketing & promotional investment
• Consumers seeking trusted brands, eating-in, looking for convenience	• Focus on convenient & affordable meal solutions
• Growth of convenience stores, online, discounters	• Tailor propositions for channel & format

In Grocery, we enter 2013 well placed to address market conditions

- Re-aligned commercial structure to deliver end-to-end approach
- Portfolio of recognised & trusted brands with a focus on innovation and in-store execution
- Enablers in place to drive execution and exploit multi-channel opportunities

Re-aligned Grocery team

Grocery Commercial Director

Sweet Business Unit	Savoury Business Unit	Customer Brands & B2B	Sales	Operations

Category | **Shopper** | **Insight** | **Revenue Growth Mgt**

- Cross-functional business units provide end-to-end view
- Facilitates faster & more effective decision making

Focus on innovation and in-store execution of branded programmes

Ambrosia Devon Dream

Healthier & VFM cream alternative

Batchelors "Super"Relaunch

Back on TV after 5 years

Bisto Stock Melts

Innovation supported with new advertising

Sharwood's Meal Bays

Strong in-store execution

Enablers in place to drive execution

- Improved Customer Relationships
  - Joint Business Plans with Key customers

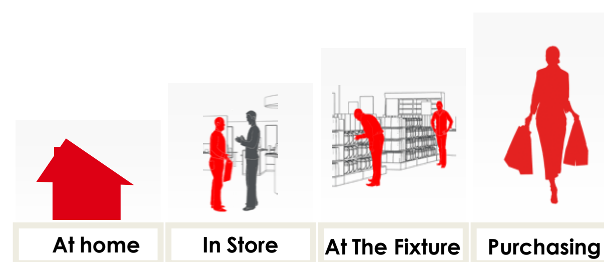
Sales
Marketing
Insight & Strategy
Supply Chain

Cross-Functional Joint Business Planning

Buying
Merchandising
Insight
Supply Chain

- Pricing Consistency & Integrity
  - Structured price and pack architecture

- Category Management
  - Over 50,000 new availability points gained in 2012



Exploit multi-channel opportunities

Small Store Formats

Discounters

Online

In Bread, we are re-building value

- 2012 was a challenging year, but
  - Bread remains an important category
  - *Hovis* is a strong brand
  - We have a strong market presence
- Dedicated management team now in place
- Focus in 2013 is on realising benefits of restructuring and selective investment in *Hovis* brand

Restructuring programme underway

- Focus on delivering reduced cost-to-serve and improved profitability
- Optimise Bakery & Milling footprint following contract loss
  - Close Eastleigh, Greenford and Birmingham bakeries
  - Restructure logistics network
  - Glasgow Mill closure
- Diversify wheat sourcing to protect quality
- Capital investment to improve efficiency
- Restructuring cash costs of £28m in 2013

Hovis packaging re-launch in Q1

- Improved differentiation and shopper 'find time'

Realise Group-wide cost saving opportunities

- Deliver £20m of SG&A savings in 2013
- Continue to target 4% gross savings in manufacturing controllable costs
- Explore further cost opportunities to fuel branded growth

Medium-term outlook

- Power Brand sales growth ahead of market
- Improved divisional contribution
- Sustained brand investment
- Continued efficiency and cost reduction
- Sound footing to deliver growth in Bread
- Reduced Net debt

Deliver Shareholder Value

Summary

- Strategic priorities delivered in 2012
- Consumer environment remains challenging
- Strategic direction endorsed
- Execution now the focus
  - Continue growth momentum in Grocery
  - Re-build value in Bread
  - Realise cost saving opportunities

Q&A

Appendices

Definitions

- Trading profit is defined as operating profit before refinancing costs, restructuring costs, profits and losses associated with divestment activity, amortisation and impairment of intangible assets, the revaluation of foreign exchange and other derivative contracts under IAS 39 and pension credits or charges in relation to the difference between expected return on pension assets, administration costs and interest costs on pension liabilities.
- Adjusted profit before tax is defined as Trading profit less net regular interest.
- Adjusted earnings per share is defined as Adjusted profit before tax less tax at a notional tax rate for the Group divided by the average number of shares in issue during the period.
- None of Trading profit, Adjusted profit before tax or Adjusted earnings per share is a measure of profitability defined under IFRS and may not be comparable from one company to another.

Continuing - Underlying business

£m	Continuing Business	2011 Disposals	2012 Disposals	Milling revenue	Contract Loss	Underlying Business
2012						
Sales	1,756.2	(0.9)	(210.1)	(191.4)	-	**1,353.8**
Trading profit	154.7	(0.3)	(31.0)	N/A	-	**123.4**
EBITDA	194.3	(0.3)	(35.4)	N/A	-	**158.6**
2011						
Sales	1,999.5	(188.5)	(282.9)	(193.0)	(23.4)	**1,311.7**
Trading profit	188.3	(14.6)	(56.5)	N/A	(5.6)	**111.6**
EBITDA	230.1	(14.6)	(62.6)	N/A	(5.6)	**147.3**

- 2012 H1 Sales of 2012 disposals = £124m
- 2012 H1 Trading profit of 2012 disposals = £21m

2012 Disposals

£m	Vinegar & Sour Pickles	Ethnic Flour	Sweet Spreads & Jellies	Sweet Pickles & Table Sauces	Total
2012 FY					
Sales	14.8	8.8	128.3	58.2	**210.1**
Trading profit	0.5	3.3	23.1	4.1	**31.0**
EBITDA	0.9	3.3	24.8	6.4	**35.4**
Months Owned	7	7	10	12	
2011 FY					
Sales	34.0	17.8	165.1	66.0	**282.9**
Trading profit	5.5	6.4	36.1	8.5	**56.5**
EBITDA	6.2	6.4	38.2	11.7	**62.6**

- 2012 H1 Sales of 2012 disposals = £124m
- 2012 H1 Trading profit of 2012 disposals = £21m

Interest

£m	2012	2011	%
Bank debt interest	(36)	(40)	10.2
Swap contract interest	(17)	(60)	71.0
Securitisation interest	(3)	(2)	(24.0)
Cash interest	**(56)**	**(102)**	**44.9**
Amortisation and deferred fees	(14)	(14)	2.2
Regular net interest charge	**(70)**	**(116)**	39.9
Unwind of provision discount	(1)	(2)	66.7
IAS 39 – fair valuation of financial instruments	(10)	37	-
Write off of financing costs	(11)	(2)	-
Reported net interest charge	**(92)**	**(83)**	**(10.8)**

- Net regular interest guidance for 2013 £60-£65m
- Of this, amortisation and deferred fees c.£22m

Taxation

- 2012 credit on continuing activities £21.9m
  - Due to recognising deferred tax asset from prior year losses
- Cash tax minimal in 2012 due to:
  - Capital allowances in excess of depreciation charges
  - Increased by the amortisation of intangible assets that are not eligible for tax relief
- Cash tax for 2013 and 2014 also expected to be minimal for similar reasons
- Notional rates of corporation tax
  - 2013 – 23.25%
  - 2014 – 21.5%
  - 2015 – 21.0%

Pension valuation and assumptions

Key IAS 19 assumptions	31 Dec 2012	31 Dec 2011
Discount rate	4.45%	4.80%
Inflation rate	2.95% (CPI 2.15%)	3.15% (CPI 1.95%)
Expected salary increases	3.95%	4.15%
Mortality assumptions	LTI +1.0%	LTI +1.0%

Pension deficit (£m)		
Assets	3,209	3,156
Liabilities	(3,676)	(3,438)
Gross deficit	**(467)**	**(282)**
Deficit net of deferred tax	**(352)**	**(212)**

Balance Sheet

£m	2012	2011
Fixed Assets – Property, plant & equipment	374	417
Fixed Assets – Intangibles / Goodwill	1,391	1,679
Fixed Assets – Deferred tax	72	-
Total Fixed Assets	1,837	2,096
Assets less liabilities held for sale	78	34
Working Capital		
Stock	116	137
Debtors	299	297
Creditors	(407)	(435)
Total Working Capital	8	(1)
Net debt		
Gross debt	(1,004)	(1,041)
Cash	53	46
Total Net debt	(951)	(995)
Other net liabilities	(567)	(561)
	405	573
Share capital & premium	1,149	1,149
Reserves	(744)	(576)
	405	573